

BOWLS SCOTLAND
FINANCE – ADDITIONAL INFORMATION SHEET
2016/2017 Accounts

This sheet provides further information that may be helpful when reading the accounts and to better understand the finances of Bowls Scotland for 2016/17.

The accounts show a small surplus of £3,598 for the year after taking into account the normal process of accounting for accruals and deferred income. This process basically allows Bowls Scotland to take into the accounts costs that we know have been incurred but not yet paid for. This happens for example where an invoice isn't received until after the year end. We also adjust for **sportscotland** income that has been received in the year, but relates to activities that will take place next year; this is necessary because our financial year is different from **sportscotland's**.

The balance sheet notes that we hold two reserves, a general reserve which is the consolidated totals of both SBA and SWBA reserves at the point of amalgamation in 2010; and a revenue reserve which has been built up since the inception of Bowls Scotland. The Board have agreed a reserves policy, recognised as best practice amongst Scottish sports, to ensure appropriate levels of reserves are maintained into the future.

sportscotland funding is received to support specific functions of our business, including governance (running the business), development, coaching and volunteering, and high performance. This is detailed at note 17 of the accounts. **sportscotland** funding for high performance (HP) is "ringfenced" and cannot be reallocated to other areas of our business. It should be noted that **sportscotland** funding comprises two key streams – lottery and government money, and both of these are now under intense pressure in terms of levels available to all sports in Scotland. We recognise this within Bowls Scotland and we will continue to work closely with our Partnership Manager and other colleagues in **sportscotland** to maximise and protect this important source of funding.

A number of events are run during the year and the **costs** associated with these are noted in the detailed profit and loss account on page 15 under "playing the game – tournaments and events" with further analysis at note 18. The costs of BIBC and BIWBC events (junior and senior) vary between years and is significantly influenced by the location of the championships. The cost of delivering the national championships has also increased, and an area of focus for the board and committees next year will be to consider opportunities to deliver the event more efficiently, but still providing the spectacle that members expect and enjoy.

The super series ran again in 2017, and the overall position this year was a small surplus when taking into account the sponsorship that was attracted to the competition. Running costs were less than before, due primarily to reduced prize money, and this has allowed the

competition to become sustainable, subject to sponsorship continuing. Based on this year's figures, an ongoing sponsorship of around £3,500 per annum would be required.

Important points to note from the detailed profit and loss account would include:

- Continued reduction in income from membership fees continues to place pressure on the wider finances of the organisation. Moving to fixed fee capitation, which is proposed separately to the AGM, would essentially freeze income at this level until 2021. The Board would then require to plan services around this level of income.
- Playing the game income has increased by approximately £60k due to an accounting entry that matches spend on development activities to a draw down against the development fund, increased income from championship entries and additional income from the nationals.
- Admin expenses have significantly reduced during the year – VAT was a major focus last year and a number of adjustments were undertaken to better reflect the activities of the company. This resulted in one off costs in 2015/16, but the ongoing position is much more efficient in terms of VAT recovery, as can be seen in the accounts.